



U.S. Department of Justice

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THREE SENTENCED IN FRAUD AND MONEY LAUNDERING SCHEME

Greenbelt, Maryland - Thomas M. DiBiagio, United States Attorney for the District of Maryland, announced that Wayne Jackson, age 40, of Upper Marlboro, Maryland; Ritza Whatley, age 40, of Highland, Maryland; and, Beverly Williams, age 45, of Laurel, Maryland were sentenced today in connection with their earlier pleas to a fraud and money laundering scheme that victimized an elderly Washington, D.C. couple. The victims, Joseph and Josephine Vellone, lost more than \$2 million – nearly all of their life savings – in the scheme.

Jackson, a former senior investment representative for First Union Bank, as well as a member of Sapphire Ministries, Inc. (“Ministries”), a local religious organization then located in Beltsville, Maryland, was sentenced to two years imprisonment. As part of the scheme, Jackson had represented to the Vellones that he was a financial advisor who would provide financial planning and investment advice. Jackson induced the Vellones to consolidate their retirement monies into accounts at First Union Bank and other local banks, and to give money to Ministries and Kids in His Care Christian Day Care, Inc. (“KIHC”), a day care center located adjacent to the Ministries. Jackson convinced the Vellones that the monies were to be used for charitable purposes related to

the operation of the Ministries and KIHIC, when in fact the Vellone monies were then transferred from those accounts to Jackson for his personal gain.

Among other things, Jackson used monies obtained from the scheme for a down payment on property located at 11610 Bonaventure Drive, Upper Marlboro, Maryland and to purchase a 1996 Toyota Landcruiser. Jackson agreed to forfeit his interest in those properties and was ordered to pay to the Vellones \$318,000 in restitution.

Whatley, the president and treasurer of Ministries and corporate president of KIHIC, was sentenced to four months community confinement and four years probation as a result of her guilty plea to one count of filing a false tax return in connection with her purchase of a 1997 Jaguar, which the government alleged in a separate civil forfeiture complaint was purchased with money she fraudulently obtained through Jackson from the Vellones. Whatley also agreed to forfeit four bank accounts containing more than \$300,000; eight cars, including a 1999 Rolls Royce, and a house located at 13047 Hall Shop Road in Highland, Maryland, which the government alleged were purchased with funds taken from the Vellones.

Williams, a program administrator for KIHIC and bookkeeper for the Ministries, was sentenced to 45 days community confinement and 4 years probation. She forfeited a late-model Lexus and pick-up truck as part of her plea agreement with the United States.

The case was the result of an investigation by the Internal Revenue Service – Criminal Investigation and the United States Secret Service Metro Area Fraud Task Force, and was prosecuted by Assistant U.S. Attorneys David I. Salem and Stuart A. Berman.